## 1.5.1 Shareholders Responsibilities (BP)

January	1,	1996	
A	pp	roved	

## **POLICY**

AMWC provides water service to shareholders within the service area of AMWC. As a condition of service, each shareholder must abide by the policies, rates, bylaws, and regulations of Atascadero Mutual Water Company.

Shareholders must purchase a water meter to establish water service at a parcel within the service area. Proof of ownership and identification may be required to verify service is being properly established. Shareholders are the recipients of water service and are responsible for the cost of all services provided by AMWC including the water used through their meter, whether used by the shareholder, tenant, contractor, agent, or through unexplained loss.

Shareholders are not to allow water obtained through their service to be used outside the service area of AMWC.

Shareholders are not to allow water obtained though their service to be used to serve other parcels.

The shareholder is responsible for the payment of any bill for services provided at their parcel. The shareholder is responsible for any damage to AMWC property, service, or equipment serving their parcel whether caused by shareholder, tenant, contractor, agent, or through unexplained loss. This includes damage to the meter, valves, or lock-off equipment. Costs of collection for amounts due to AMWC including attorney fees and additional collection costs will be added to a shareholders account.

Any unpaid bill for any service provided by AMWC may be transferred to a current service location owned by the shareholder for collection. On a monthly basis, a bill will be mailed to the shareholder for water services. All bills are due 30 days from the "service to" i.e., meter reading date. If a bill is unpaid after 30 days it is subject to applicable late payment charges and shut off processes.

A duplicate copy of the bill may be requested by the shareholder to be mailed to an agent or tenant for a monthly "Duplicate Billing Fee." This service includes sending out duplicate shut off notices.

Any charges for services from AMWC incurred by a shareholder while owning a parcel of land served shall become the personal liability of the shareholder even after such time as they cease to be a shareholder.

## **PURPOSE**

The purpose of this policy is to define the responsibilities of shareholders to the Atascadero Mutual Water Company. This is in addition to the bylaws and other regulations approved by the Board of Directors.

## **BACKGROUND**

Atascadero Mutual Water Company was founded in 1913 as a non-profit corporation to provide water service to shareholders within the service area. In order to comply with the rules and regulations pertaining to mutual water companies and to avoid designation as a public utility, AMWC is required to serve only shareholders. This policy defines the responsibilities of the shareholders including the payment for the cost of providing that service.